



## DEPARTMENT OF DEFENSE

### Office of the Secretary

[Transmittal No. 20-38]

### Arms Sales Notification

**AGENCY:** Defense Security Cooperation Agency, Department of Defense.

**ACTION:** Arms sales notice.

**SUMMARY:** The Department of Defense is publishing the unclassified text of an arms sales notification.

**FOR FURTHER INFORMATION CONTACT:** Karma Job at [karma.d.job.civ@mail.mil](mailto:karma.d.job.civ@mail.mil) or (703) 697-8976.

**SUPPLEMENTARY INFORMATION:** This 36(b)(1) arms sales notification is published to fulfill the requirements of section 155 of Public Law 104-164 dated July 21, 1996. The following is a copy of a letter to the Speaker of the House of Representatives, Transmittal 20-38 with attached Policy Justification and Sensitivity of Technology.

Dated: August 14, 2020.

**Aaron T. Siegel,**

*Alternate OSD Federal Register Liaison Officer,*

*Department of Defense.*



**DEFENSE SECURITY COOPERATION AGENCY**  
201 12<sup>TH</sup> STREET SOUTH, SUITE 101  
ARLINGTON, VA 22202-5408

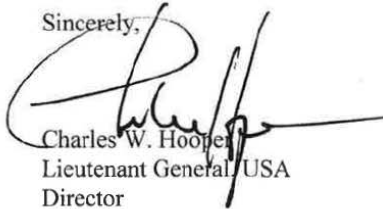
July 30, 2020

The Honorable Nancy Pelosi  
Speaker of the House  
U.S. House of Representatives  
H-209, The Capitol  
Washington, DC 20515

Dear Madam Speaker:

Pursuant to the reporting requirements of Section 36(b)(1) of the Arms Export Control Act, as amended, we are forwarding herewith Transmittal No. 20-38 concerning the Navy's proposed Letter(s) of Offer and Acceptance to the Republic of the Philippines for defense articles and services estimated to cost \$126 million. After this letter is delivered to your office, we plan to issue a news release to notify the public of this proposed sale.

Sincerely,



Charles W. Hooper  
Lieutenant General USA  
Director

Enclosures:

1. Transmittal
2. Policy Justification
3. Sensitivity of Technology

Notice of Proposed Issuance of Letter of Offer  
Pursuant to Section 36(b)(1)  
of the Arms Export Control Act, as amended

(i) Prospective Purchaser: Republic of the Philippines

(ii) Total Estimated Value:

Major Defense Equipment*	\$ 2 million
Other	<u>\$124 million</u>
TOTAL	\$126 million

(iii) Description and Quantity or Quantities of Articles or Services under Consideration for Purchase:

Major Defense Equipment (MDE):

One hundred fifty-six (156) M240B 7.62x51mm Machine Guns

Non-MDE:

Also included are thirty-six (36) 9M Scout Boats (SB); thirty-six (36) 10M Assault Boats (AB); eighteen (18) 16M Light Support Boats (LSB); thirty-six (36) units of Forward Looking Infrared (FLIR) 280HD; twenty-four (24) M2A1 .50 caliber machine guns; thirty-six (36) M134D-M, 7.62x51mm, 6-barrel rotary Gatling guns; three hundred ninety-nine (399) NFS-NVG/IR Lasers (AN/PVS-14 and AN/PEQ-15); one hundred two (102) Thermal Imager Scope (handheld); two hundred ten (210) Heavy Thermal Weapon Sights (AN/PAS-13); ninety (90) Harris Falcon III RF-7850M radios; two hundred seventy (270) Harris Falcon III RF-7850S radios; boat spare parts; spare engines and engine components; safety and rescue equipment; training; contractor engineering technical services; engineering technical assistance; transportation cost services, and other related elements of logistics and program support.

(iv) Military Department: Navy (PI-P-SCS)

(v) Prior Related Cases, if any: 7L-P-LBJ

(vi) Sales Commission, Fee, etc., Paid, Offered, or Agreed to be Paid: None

(vii) Sensitivity of Technology Contained in the Defense Article or Defense Services Proposed to be Sold: See Attached Annex

(viii) Date Report Delivered to Congress: **July 30, 2020**

\*As defined in Section 47(6) of the Arms Export Control Act.

## POLICY JUSTIFICATION

### Philippines – Scout, Assault, and Light Support Boats with Armaments and Accessories

The Government of the Philippines has requested to buy one hundred fifty-six (156) M240B 7.62x51mm machine guns. Also included are thirty-six (36) 9M Scout Boats (SB); thirty-six (36) 10M Assault Boats (AB); eighteen (18) 16M Light Support Boats (LSB); thirty-six (36) units of Forward Looking Infrared (FLIR) 280HD; twenty-four (24) M2A1 .50 caliber machine guns; thirty-six (36) M134D-M, 7.62x51mm, 6-barrel rotary Gatling guns; three hundred ninety-nine (399) NFS-NVG/IR Lasers (AN/PVS-14 and AN/PEQ-15); one hundred two (102) Thermal Imager Scope (handheld); two hundred ten (210) Heavy Thermal Weapon Sights (AN/PAS-13); ninety (90) Harris Falcon III RF-7850M radios; two hundred seventy (270) Harris Falcon III RF-7850S radios; boat spare parts; spare engines and engine components; safety and rescue equipment; training; contractor engineering technical services; engineering technical assistance; transportation cost services, and other related elements of logistics and program support. The estimated cost is \$126 million.

This proposed sale will support the foreign policy and national security of the United States by helping to improve the security of a strategic partner that continues to be an important force for political stability, peace, and economic progress in South-East Asia.

The proposed sale will improve the Philippines' capability to meet current and future threats by force multiplying the Army's present ability to operate and control both inland and coastal waterways of southern Philippines. The Philippines will have no difficulty absorbing this equipment and support into its armed forces.

The proposed sale of this equipment and support will not alter the basic military balance in the region.

The principal contractor for the Scout and Assault Boats will be Willard Marine Inc., Anaheim, CA. The principal contractor for the Light Support Boat will be determined through an open competition contract. There are no known offset agreements proposed in connection with this potential sale. Any offset agreement required by Philippines will be defined in negotiations between the purchaser and the contractor(s).

Implementation of this proposed sale will require the assignment of one (1) additional U.S. contractor representative to the Republic of the Philippines for a duration of five (5) years to provide maintenance and logistical support.

There will be no adverse impact on U.S. defense readiness as a result of this proposed sale.

Notice of Proposed Issuance of Letter of Offer  
Pursuant to Section 36(b)(1)  
of the Arms Export Control Act

Annex  
Item No. vii

(vii) Sensitivity of Technology:

1. Included are:

- a. The M240B 7.62x51mm machine gun is a general purpose, gas-operated, medium machine gun fired from a mount. The M240B machine gun provides protection and is used extensively by infantry, most often in rifle companies, as well as on ground vehicles, watercraft and aircraft.
- b. The 9M Scout Boat is an agile vessel. The 9M Scout Boat provides reconnaissance capabilities.
- c. The 10M Assault Boat is a high speed patrol vessel. The 10M Assault Boat provides search and seizure capabilities.
- d. The 16M Light Support Boat is a lightweight unit support vessel. The 16M Light Support Boat provides extended range for the mission.
- e. The Forward Looking Infrared (FLIR) 280HD is an imaging system. The FLIR 280HD is designed to identify and track threats in the day and night.
- f. The M2A1 .50 caliber machine gun is an automatic, air-cooled machine gun either mounted or crew transported (over short distances). The M2A1 .50 caliber machine gun provides defensive and offensive capabilities and can be used as an anti-personnel and anti-aircraft weapon.
- g. The M134D-M, 7.62x51mm, 6-barrel rotary Gatling gun, is a machine gun. The M134D-M, 7.62x51mm, 6-barrel rotary Gatling guns provides defensive and offensive capabilities.
- h. The Night Fighting System-Night Vision Goggle (NFS-NVG)/ Infrared Lasers (AN/PVS-14 and AN/PEQ-15). The NFS/NVG (AN/PVS-14) is a multi-functional night vision monocular. The NFS/NVG provides night vision capabilities and can be used as a hand-held pocket scope, helmet-mounted monocular, or a weapon sight when mounted in tandem with an infrared laser aimer. The Advanced Target Pointer/Illuminator/Aiming Laser (AN/PEQ-15) is an infrared laser aimer. The Advanced Target Pointer/Illuminator/Aiming Laser (AN/PEQ-15) provides direct-fire aiming and

illumination for nighttime use.

i. The Thermal Imager Scope is a device which creates an image by the target's emitted heat signature and its contrast to its immediate surroundings. The Thermal Imager Scope provides a sharper capability for precision targeting in the absence of illumination.

j. The Heavy Thermal Weapon Sights (AN/PAS-13) is a portable infrared sensor for use on rifles, surveillance missions, and shoulder-launched missiles. The Thermal Weapon Sight provides a capability to acquire targets at long range, night, during the day in adverse weather conditions and through smoke and dust.

k. The Harris Falcon III RF-7850M Radio is a multiband networking vehicular radio. The Harris Falcon III RF-7850M Radio provides high-speed, long-range tactical communications and is engineered for space-constrained platforms.

l. The Harris Falcon III RF-7850S Radio is an advanced wideband, secure personal radio. The Harris Falcon III RF-7850S Radio provides personal, secure and full communications capabilities (for both wideband and narrowband operation) and meets specific needs of soldier-level communications with multiple talk groups, ad-hoc mesh networking, and multi-hop forwarding.

2. The highest level of classification of defense articles, components, and services included in this potential sale is UNCLASSIFIED.

3. If a technologically advanced adversary were to obtain knowledge of the specific hardware and software elements, the information could be used to develop countermeasures that might reduce weapon system effectiveness or be used in the development of a system with similar or advanced capabilities.

4. A determination has been made that the Republic of the Philippines can provide substantially the same degree of protection for the sensitive technology being released as the U.S. Government. This sale is necessary in furtherance of the U.S. foreign policy and national security objectives outlined in the Policy Justification.

5. All defense articles and services listed in this transmittal have been authorized for release and export to the Republic of the Philippines.